

## Information Required of Certificate of Approval Applicant

### A. Project Description

*Describe the project with sufficient detail for readers to understand the magnitude, complexity, and major elements of what is being proposed. Specify the capital and operating costs resulting from the project and your rationale for undertaking the project at this time. Please keep this statement reasonably concise. For more complex projects, a more detailed discussion is required as well. Refer to Appendix A for specific details to be addressed.*

### B. Relationship to the General Criteria

*Address each of the following general criteria that you believe is applicable to your project, including a narrative description showing how and why you believe the proposal meets the criterion. Additional guidance is provided after each criterion. If needed, please consult with the Department to determine which of the Criteria are thought to be applicable.*

1. The relationship of the proposed new developmental/mental health service to the long-range development plan of the applicant.

*Explain how the proposed project is consistent with your long-range plan. Submit your plan or the relevant portion of that document. If the current plan has already been submitted in support of another application, it may be incorporated by reference.*

2. The need for the proposed new developmental/mental health service on the part of the population served by such service or facility. The applicant must demonstrate that the proposed project is needed to (a) maintain the availability and accessibility of developmental/mental health services; or (b) meets specific unmet needs of the area; or (c) will improve the developmental/mental health of the population to be served.

*Explain how the proposed project meets at least one of the three conditions listed above. If the project is needed to maintain access, show why the current resources will be unable to meet the need. If the project is needed to meet specific unmet needs, provide a forecast of those health needs. Explain the method used to quantify the need and why it is the best method available. Describe the proposed service area and reasons for selecting the area. List the current means used to meet this need, if any. Quantify the services to be provided, including demographics and the source of payment. Be as specific as possible.*

*In addition, explain the utilization review procedures put in place to ensure appropriate utilization and identify the expected outcomes. Provide assurance that you will comply with the Americans with Disabilities Act related to access for people with disabilities. Also provide assurance that you will comply with the standards for commercial construction assuring nondiscrimination on the basis of disability as described in the July 26, 1991 Federal Register.*

3. The availability of less costly or more effective alternative methods of providing such a service or for addressing facility needs. Less costly alternatives may include capitalization methods, ownership methods, referral to other providers, joint purchases and sharing arrangements, design choices and construction methods, and project choices.

*Describe the alternatives to this project that were considered. Show why each was rejected. Explain why you believe there are no other less costly or more effective alternatives to be considered.*

4. The proposal's immediate and long-term financial feasibility and its probable impact on the costs of and charges for providing developmental/mental health services by the agency proposing the new service or facility. An applicant must demonstrate financial feasibility and capacity, including resources sufficient to implement and sustain operations over time.

*Describe the immediate and long-term financial impact of the project of the facility. Describe the source of funds to be used in financing the project. Complete Tables 1-6 as applicable including Statement of Revenues and Expenses or Profit and Loss with and without the project. (See Tables, below.) Provide the proposed costs and charges for the proposed service. Describe the project's impact on the facility's costs and charges. Explain why you believe that the project meets this criterion.*

5. In the case of a construction project: (a) the costs and methods of the proposed construction, including the costs and methods of energy provision, and (b) the probable impact of the construction project on the cost of providing developmental/mental health services by the agency proposing the construction project.

*When applicable, show that the design and building costs are reasonable. Show the extent and cost effectiveness of energy conservation measures. Describe the impact of construction on the cost of new services, and discuss why new construction is the best alternative..*

6. The availability of resources, including management personnel, and funds for capital and operating needs, for the provision of the proposed new developmental/mental health service or facility, and the availability of alternative uses of such resources for the provision of other services.

*When applicable, describe the impact of this project on current staffing requirements. Describe the capital or operating impacts. Show that the commitment of resources for this project cannot, or should not, be invested in other services which may provide a more beneficial outcome.*

7. The relationship of the proposed new service or facility to the existing developmental/mental health care system of the area in which such service is proposed to be provided or located.

*Show how this service or facility will fit into the current delivery system. Demonstrate that the program will be coordinated with other providers in the area.*

8. In the case of existing services, the quality of care provided by those services in the past.

*Existing services should demonstrate that relevant professional standards have been met. Describe any objective standards used in such a quality assessment. Provide evidence of compliance with all applicable regulations.*

9. The relationship, including the organizational relationship, of the proposed new developmental/mental health service to ancillary or support services.

*When applicable, show that appropriate arrangements exist for the provision of needed support services.*

10. The impact of the proposal on state Medicaid dollars.

*Describe the impact of this project on the Medicaid budget. How does this improve the value received by Medicaid recipients?*

C. Required Tables

*Complete the following Tables as appropriate.*

*See Excel Tables in sep. document*

## Appendix A. Project Details

When preparing this application, a number of details should be covered somewhere in the narrative. Supply the following information as appropriate:

1. For construction or renovation projects:
  - a. Provide dates for the duration of the proposed construction and renovation period.
  - b. Include schematic drawing, at least 1/16" scale, for the existing and proposed facility.
  - c. Provide existing and proposed departmental net and gross square feet for each department affected by the project.
2. For projects involving lease arrangements:
  - a. Indicate the duration, dates, and terms of the lease.
  - b. Compare costs of lease with purchase option.
3. For projects involving the refinancing of existing debt:
  - a. Describe the terms of both old and new debt, interest and maturity.
  - b. Demonstrate cost savings of refinancing or describe reasons for refinancing.
4. For projects where there are other special conditions:
  - a. For projects that require high levels of debt financing relative to the cash flow of the institution, submit historical and projected Balance Sheet information.
  - b. For projects where a service is being added or significantly expanded in an existing institution, submit a Statement of Revenue and Expense for both the individual service and the institution as a whole to indicate the overall effect on the institution.
  - c. For projects whose financial feasibility is endangered by low utilization, submit a financial forecast in which utilization levels are only sufficient for the service to break even financially.